


BHP

Western Australia Iron Ore

Community Development Report 2021





Our purpose is to bring people and resources together to build a better world.

BHP is successful when it increases social value. This is when communities, customers and suppliers value their relationship with us.

Our strategy is to have the best capabilities, best commodities and the best assets, to create long-term value and high returns.

Acknowledgement of Country
BHP acknowledges and pays respect to the Traditional Custodians of the lands and waterways on or near which our operations are located. We pay our respects to Elders past, present and emerging leaders.

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Note: This report covers Financial Year 2021, and all monetary figures are in Australian dollars.

Introduction

About BHP

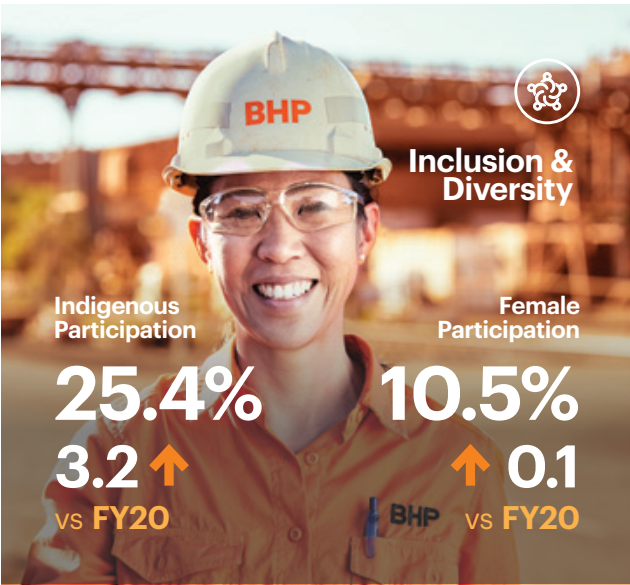
BHP is a world-leading resources company.

Our principal iron ore operations are based in the Pilbara region of Western Australia and comprise of an integrated system of four processing hubs and five mines connected by more than 1,000 kilometres of rail infrastructure and two port facilities located at Port Hedland.

BHP manages and operates Western Australian Iron Ore (WAIO) as a single integrated business on behalf of long standing international joint ventures.

Our State Agreements continue to deliver significant community and social benefits year-on-year through our ongoing investments in infrastructure and services, many of which are developed and delivered in partnership with the communities in which we operate.

BHP's Western Australian Iron Ore division has delivered \$3.92 billion in social and community investment over the last ten years.



A message from Brandon, Asset President WA Iron Ore

Our purpose is to bring people and resources together to build a better world.

We do this by focusing on what's important in our communities – whether it's in health, childcare, jobs, education, traineeships or by using local businesses.

In the 2021 financial year (FY2021), our total community development expenditure in Western Australia was **\$324.6 million**, which brings our total investment in Western Australia over the past ten years to **\$3.92 billion**.

We have a responsibility to help keep WA safe, and our economy strong, because it is only with the support of host communities and governments that we have grown to become one of the world's leading iron ore businesses.

Our presence needs to leave a lasting positive impact, extending beyond the substantial economic benefits our operations deliver for the broader Western Australian community.

We have a range of areas that we invest in to increase and deliver social value outcomes.

We focus our efforts on four main pillars:

- Regional development
- Skills and development
- Community projects
- A regionally based workforce

Some of the important highlights you will see in this report include the **\$267 million we spent with local businesses in the Pilbara**, including **\$93 million on Indigenous procurement**.

Nearly half of this – **\$46 million** was with **35 Traditional Owner businesses** – a **34 per cent increase** from FY20, a business highlight which we are very proud of.

We also delivered and shipped first ore from our South Flank project – Australia's largest iron ore mine in more than **50 years**.

South Flank is BHP's most technically advanced mine and creates the largest iron ore operating hub in the world, once ramped up. It will sustain more than **600 ongoing jobs**, plus opportunities for hundreds of local businesses and billions of dollars in royalties to Western Australia

South Flank's premium iron ore will be shipped to global steel producers to build electricity, transport and urban infrastructure around the world over the next **25 years**.

In FY2021, we increased female and Indigenous participation in our operations on the previous year. More than 25 per cent of our workforce is now female, and 10.5 per cent Indigenous.

We also brought on **196 apprentices, 200 new trainees and 62 university graduates** into our business, and launched the Rail Academy, to train **200 train drivers** for our operations in the Pilbara.

We invested **\$46 million** into community projects that benefit the Pilbara, including education, health and childcare programs, with a focus on Indigenous wellbeing and outcomes.

The positive benefits that these partnerships bring to the region are profiled with case-studies throughout this report. We hope you enjoy reading about the success of our community partners and the services and benefits they bring to Western Australia.

We look forward to another year ahead, partnering with communities, local businesses and government stakeholders to share in our success.

Brandon Craig
Asset President
WA Iron Ore



Regional Development

BHP is committed to supporting the sustainable development of the regions in which we operate.

We achieve this through infrastructure development, procurement, advocacy and partnerships.



Regional Development

Our COVID-19 recovery strategy



We are working with the WA Health Department to improve vaccination rates in the Pilbara



With the world continuing to be impacted by the COVID-19 pandemic, we’ve remained vigilant to new developments, updated our controls to protect our people, supported our suppliers and worked closely with the communities where we operate to provide assistance where it’s been needed most.

To support regional communities throughout Australia, BHP established a \$50 million Vital Resources Fund to keep vital services functioning and strengthen community recovery.

- During the pandemic, we also:
- Reduced payment terms for small suppliers to increase their critical cash flow during the pandemic peak
 - Hired an additional 1,500 people on six-month contracts to support our Australian operations
 - Created a \$6 million fund to support labour hire companies and their employees.

We also worked with the WA Health Department to improve vaccination rates in the Pilbara, which were among the lowest in the state.

This included establishing a community vaccination hub in Newman, to be operational in FY22.

Our employees and operations have been agile in adapting to impacts of state emergency procedures to ensure we can continue working safely through times of travel uncertainty. Pop-up testing clinics, extended rosters and additional workplace measures were implemented quickly, safely and in line with best practice.

Supporting people and communities through COVID-19

In FY21 we continued to support Pilbara communities to build their COVID-19 recovery strategies, with an emphasis on creating a lasting impact through embedding technology and economic development opportunities.



Highlights from BHP’s support:

 \$500,000 Shire of East Pilbara - to develop and implement a targeted Newman Economic Development and Tourism Strategy.	 \$1,000,000 Karlka Nyiiparli Aboriginal Corporation - to deliver technology platforms across the Western Desert to assist with community governance, economic activities and access to health services.	 \$500,000 Puntukurnu Aboriginal Medical Service - to address primary and mental health and emotional wellbeing in Newman and the Western Desert.
 \$1,130,000 WA Council of Social Service - to address family and domestic violence in the Pilbara.	 \$1,000,000 Port Hedland Chamber of Commerce - to develop and implement the Hedland Economic Development Program to build business resilience and digital platforms.	 \$2,000,000 Nyamal Aboriginal Corporation - for Pilbara Traditional Owner groups to deliver 28 Emergency Remote Communication Modules to enable communication throughout isolation.
 \$550,000 Western Desert Lands Aboriginal Corporation - to finalise quarantine facilities and deliver cultural camps in the Western Desert for mental health and on-country programs.	 \$500,000 Puntukurnu Aboriginal Medical Service - for access to online health, government, essential services and technology capabilities in the community.	 \$500,000 Kanyirrinpa Jukurrpa - for a co-ordinated return to country service between Western Desert communities and Newman.

Case Study



Kujunkarrinjanka – Staying at Home, Getting Back Home Project

An integrated approach to support Martu to stay on country has been developed with support of the Newman Futures project and BHP's Vital Resources Fund.

The 'Staying at Home, Getting Back Home' and technology infrastructure programs enable supported access to digital infrastructure through telehealth hubs in community.

For those who need to travel to Newman, the partnership improves essential transport services for those living in the Western Desert.

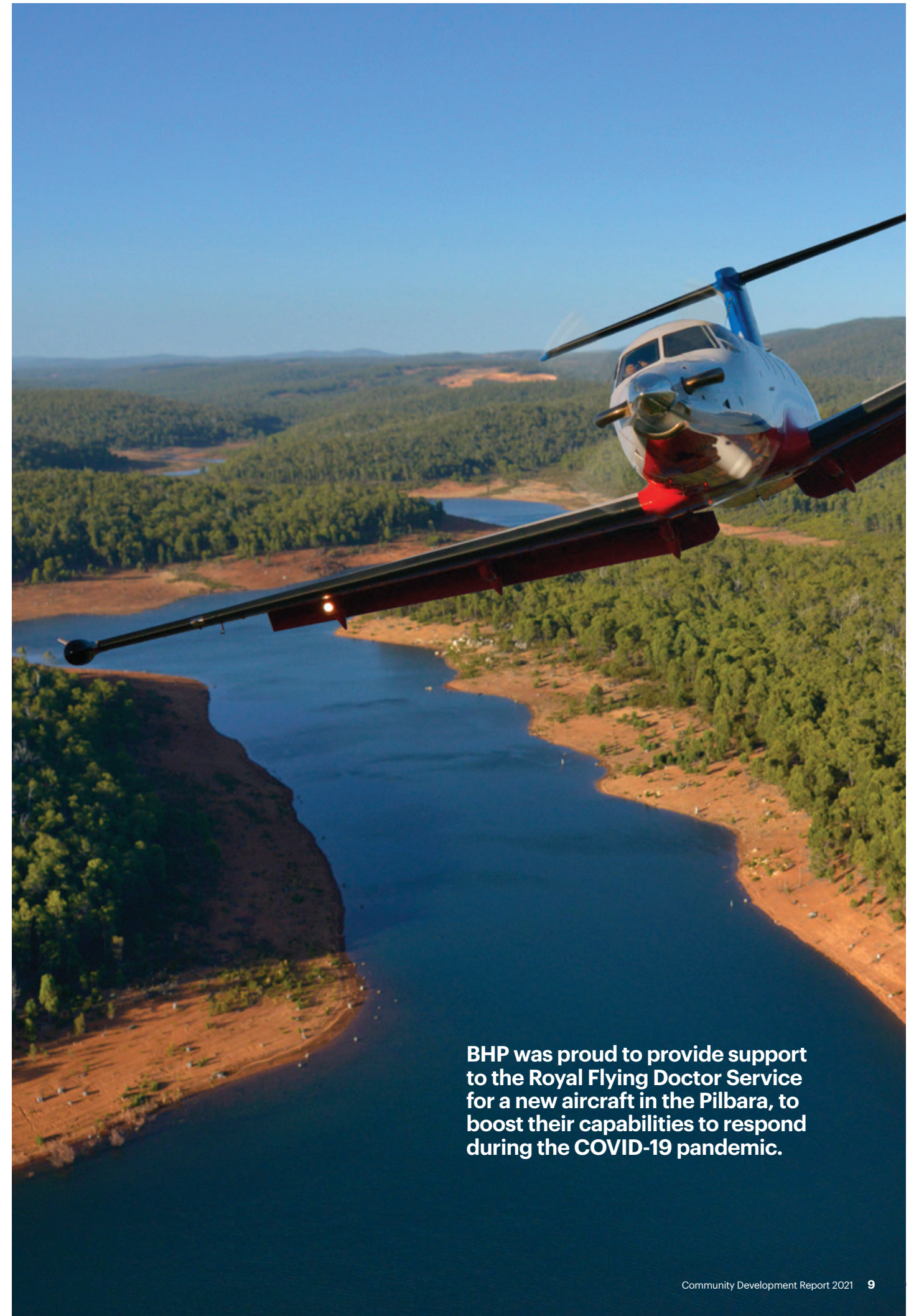
19 Martu drivers have been employed through the program with over 250 Martu people transported in the first three months.

BHP also donated three five-bedroom properties to Western Desert Lands Aboriginal Corporation (WDLAC) to deliver educational opportunities to Martu young people, close to home, country and family in a culturally supportive environment.

The properties are now being transformed into a Martu Student Hostel in Newman.



Scan to learn more from Newman Futures



BHP was proud to provide support to the Royal Flying Doctor Service for a new aircraft in the Pilbara, to boost their capabilities to respond during the COVID-19 pandemic.

A woman with blonde hair, wearing an orange high-visibility shirt and blue pants, is smiling and assisting two young children on a green slide at a playground. One child, wearing a green shirt and a dark hat, is sitting on the slide. The other child, wearing a grey shirt with 'BLUEY' on it and a blue patterned hat, is sitting in front of them. The background shows a grassy field and a red dirt area.

Community Projects

BHP is committed to contributing to community projects and programs that improve the liveability of the regions in which we operate.

We are committed to working collaboratively with stakeholders to drive positive long-term outcomes.

Community Projects

Our approach to social investment

Social investment is one of the tools in our overall approach to contributing to the creation of social value.

It is our contribution towards projects or donations which support the resilience of the environment and the communities where we operate, and align with our broader business priorities.

We work with our diverse range of stakeholders to understand and identify social needs and how we can create meaningful outcomes for communities.

FY21 total social investment spend

\$46,096,399



Our social investment framework focuses on three key themes:

Future of Communities

Support communities to be more adaptive and resilient and enable them to address challenges and thrive.

Future of Work

Enhance human capability and social inclusion through education and vocational training, skills development, and enhanced livelihood opportunities.



Future of Environment

Contribute to enduring environmental and social benefits through biodiversity conservation and ecosystem restoration, water stewardship and climate change mitigation and adaptation.

Community Projects

Our Community Investment program



Supporting Indigenous People and Communities

We support programs that are aligned to our **Reconciliation Action Plan** principles of economic empowerment, social and cultural support and public engagement.

There are **four** pillars to BHP’s Indigenous Peoples Strategy

1

Social and cultural support

2

Economic empowerment

3

Public engagement

4

Governance

Case Study

NAIDOC 2020 – Always Was, Always Will Be

Minyawu is a Warnman man born at Yilyara, and his artwork ‘Warran’ was featured in BHP’s NAIDOC 2020 celebrations, through our partnerships with KJ and Martumili artists.

The 2020 theme “Always Was, Always Will Be” recognised that First Nations people have occupied and cared for this continent for over 65,000 years.

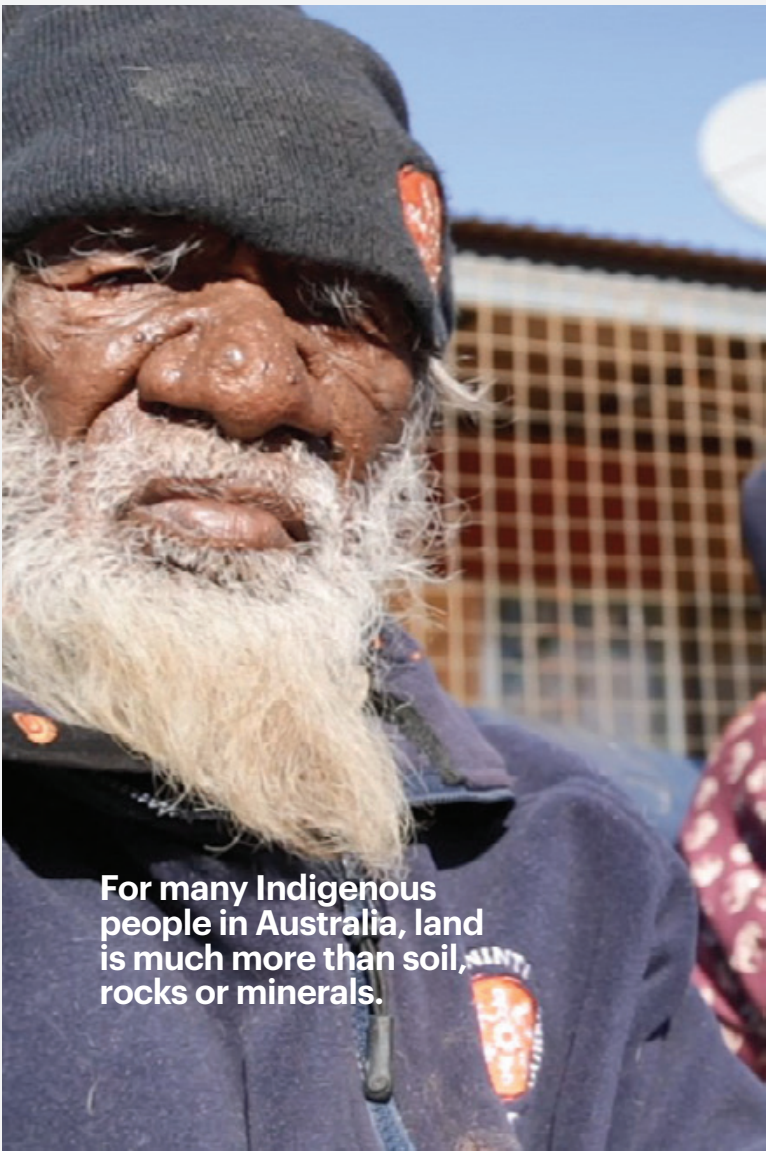
For many Indigenous people in Australia, land is much more than soil, rocks or minerals. It’s a living environment that sustains, and is sustained by, people and culture.

Minyawu paints great stretches of his country in a very distinctive, precise style using a limited range of mark making and colour.

The artwork represents an area of Warran (country) where he lived and travelled traditionally during the pujiman (bush) days and the lines represent the tali (sand hills) that are prevalent in the Western Desert, and the circles or squares represent different water sources.

In addition to the physical characteristics of the land Minyawu depicts, are a lot of other elements that make up the deep relationship with country that he has.

More on Minyawu’s story here:



For many Indigenous people in Australia, land is much more than soil, rocks or minerals.



Community Projects

Matched Giving Program

BHP proudly supports organisations that are important to employees. Through our Matched Giving Program, BHP matches personal donations made by our employees to eligible non-profit organisations at a ratio of 2:1, which equates to a BHP donation of two dollars for every dollar donated by employees.

Total \$ matched by BHP in WA for FY21

\$444,190

Top 3 Employee Matched Giving organisations in FY21

The Movember Group	The Lord Mayor's Distress Relief Fund (WA Disaster Relief)	World Vision Australia
\$70,321	\$22,921	\$22,466

Total number of WA employees participating in the Matched Giving Program

492





Case Study



Celebrating Western Australia

BHP has partnered with Celebrate WA since 2012, supporting Celebrate WA events and the annual WA Day celebrations every June.

As the major supporter alongside the State Government and Lotterywest, BHP is proud to be part of this iconic festival.

In FY2021 Kendall Whyte, CEO and co-founder of the Blue Tree Project won the Youth category at the Western Australian of Year awards, supported by BHP.

After losing her brother Jayden to suicide, Kendall launched a movement to build awareness around mental health among young men, with an emphasis on communicating: "It's OK not to be OK."

Kendall launched the Blue Tree Project in 2019 - encouraging people to paint trees blue as a reminder to keep an open dialogue about mental health.

Within a year it had become a powerful platform, with over 700 blue trees now listed in Australia with many new ones popping up internationally.

More on the Blue Tree Project here



Community Projects

Hedland Collective | An Overview

Hedland Collective connects, researches, advocates and kick-starts projects to boost opportunities for local people and enterprises.

The Collective has identified three areas for collaboration:

1. Strengthening local employment, training and business development
2. Coordinating social services to ensure support for all community members
3. Building and communicating community vibrancy and culture

A key focus area for Hedland Collective has been addressing the childcare shortage by working with providers to identify the key barriers to attract and retain more staff to the industry.

FY21 highlight from Hedland Collective

The Hedland Local Jobs website launched in May at the Hedland Jobs Expo, where **500 attendees** including young job seekers and potential employers attended.

The Community Noticeboard on social media continues to connect the local community with positive community information. There was a **43 per cent increase** in membership with **173 articles** published.

34 local leaders were identified and celebrated through a series of online articles, which later launched as a collaborative photography book at a community volunteering thank you event.

For more information on Hedland Collective, scan this QR code



A key focus area for Hedland Collective has been addressing the childcare shortage.

Case Study

FORM support on show at Spinifex Hill Studio

A new project space and gallery has opened in South Hedland as part of BHP's ongoing partnership with FORM in the Pilbara.

Spinifex Hill Studio had its genesis when a group of South Hedland based artists asked FORM to help them run a series of workshops.

Within five years BHP, FORM, the Regional Development Australia Fund, and the Department of Lands had built the Spinifex Hill Studio.

More than **100 artists** from eight language groups now access the studios, hosting Hedland's only Indigenous art collective.

More than **100 artists** from eight language groups now access the studios.

For more information on Spinifex Hill Studio, scan this QR code



Case Study

Supporting National Reconciliation Week

As a business, BHP wants to enhance opportunities and outcomes for Aboriginal and Torres Strait Islander peoples, through:

- Our commitment to Indigenous employment, with a national target of eight per cent Indigenous representation by 2025
- Working towards stronger relationships with Traditional Owners and Aboriginal and Torres Strait Islander peoples, communities and organisations
- Increasing Indigenous business opportunities, creating long-lasting positive outcomes for the wider community
- Social and cultural support for Indigenous-led community organisations and initiatives.

In Western Australia, BHP takes a leadership role in National Reconciliation Week, participating in a range of events that support reconciliation including an employee-led bike ride and Walk for Reconciliation in Perth - a public demonstration of leadership, support and solidarity with the Reconciliation movement.



BHP takes a leadership role in National Reconciliation Week



Case Study



Pilbara Education Partnership renewed and reinvigorated

Students across the Pilbara are now benefitting from a \$6.6 million extension to the BHP Pilbara Education Partnership.

The partnership between BHP and the Department of Education is the largest of its kind in regional Western Australia.

The funding from BHP will support two new research-led programs for students across the Pilbara.

- The Early Years program will take a community-based approach to prepare children for their first years at school.
- The Pathways program will support high school students to identify and successfully complete their desired educational pathway into training, further study, vocational placements with local industry or to obtain employment in their career of choice.

Watch this video for more information on the Pilbara Education Partnership. Scan this QR code



BHP has contributed \$23 million to the partnership since 2010.



Case Study



Supporting Thriving Futures in regional childcare

We know access to childcare continues to be a big issue in regional communities.

That's why we are partnering with Child Australia on the Thriving Futures project, focused on training more childcare workers for Pilbara communities.

Childcare workforce development is a critical issue across the country, particularly in the regions. It is predicted that by 2023, Australia will require an additional 39,000 educators. This represents a 20 per cent increase for the workforce over five years.

Thriving Futures highlights in 2021:

- 13** candidates have been successfully placed with employment in a participating centre
- 5** childcare centres across Port Hedland and Newman are actively participating in Thriving Futures
- 24** candidates currently studying or qualified that are being supported by Thriving Futures Scholarships and/or Mentoring program
- 36** relationships with local Indigenous organisations, key community groups and government stakeholders



Community Projects

Newman Futures | An Overview

Newman Futures brings together community and business leaders to create a vision of what the future of Newman will look like in years to come. BHP works closely with the Shire of East Pilbara and the Newman community on four separate pathways for projects:



Economy and the future of work



Education and training



Liveability and wellbeing



Culture and Country

FY2021 highlight from Newman Futures

The **East Newman Revitalisation** masterplan was informed by over **300 community engagements** over **12 weeks**.

Following the development of the plan, an activation program was delivered through Newman Futures to engage and connect the community. Over **55 activities** have been delivered at the Miner's Promise park with more than **25 stakeholders engaged**.

The East Newman Art Trail was finalised in partnership with Martumili Artists.

Thirty local and emerging artists have their artwork now feature on BHP electrical substations around East Newman. The East Newman Art Train encourages strong connection to place and empowers local and emerging artists.

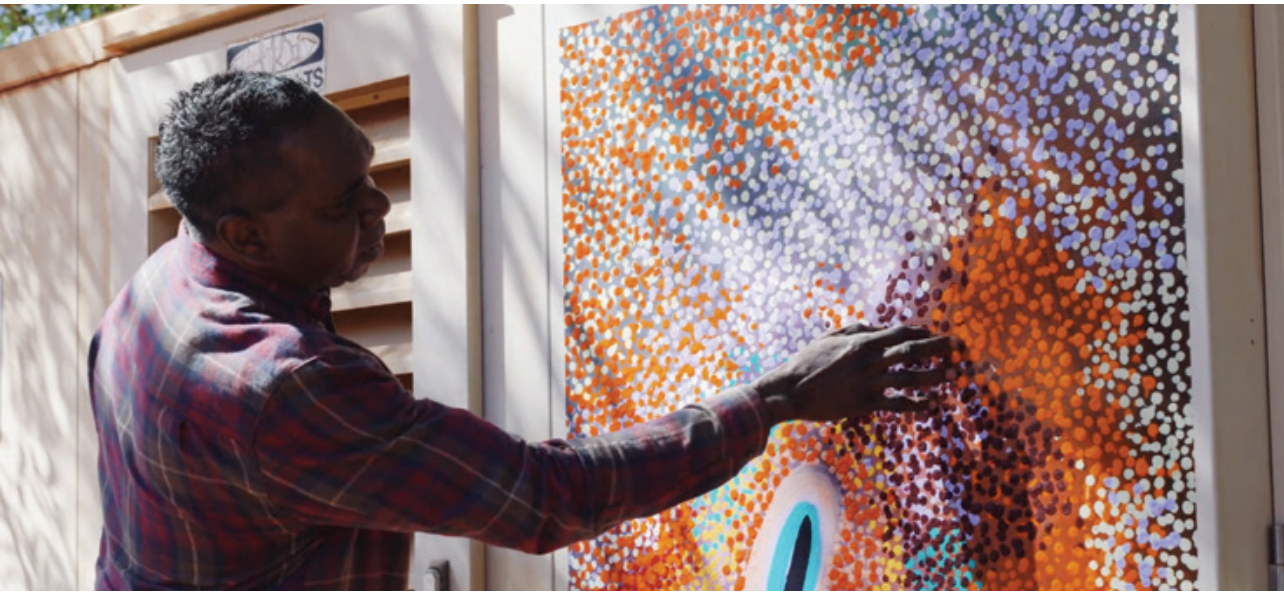
For more insights on the success of Newman Futures, scan here –



Artists of Martumili - Connect With Your Community - Newman Futures - Stronger Together Community Board



Learn Martu Words on the Newman Nature Play Trail - Connect With Your Community Newman Futures - Stronger Together Community Board



Case Study



A focus on healthcare in Newman

Access to quality healthcare is important to people who live in Newman. In FY21 BHP continued its investment in a range of health care initiatives to tackle this issue:

- Construction began on the Newman hospital, supported by a contribution of \$15 million by BHP
- Continued funding for a Well Women's Clinic at the Newman Neighbourhood Centre
- Providing in-kind support to establish an Allied Health Clinic at Parnawarri Retail Centre; and
- Donating one of our decommissioned ambulances for the Pilbara Aboriginal Medical Service to continue servicing the Jigalong community.
- \$1.9 million for the Puntukurnu Aboriginal Medical Service (PAMS) to establish a dialysis clinic at their Newman centre
- Donation of 8 x 2 bedroom villas to East Pilbara Independence Support (EPIS) to establish an assisted living aged-care facility



Watch this video for more information on healthcare in Newman. Scan this QR code



Case Study



Martu Patrol outreach

A Martu-led team is patrolling the Newman streets four nights a week as part of a pilot program to keep children and young people safe.

Funded by BHP for a 12 month pilot, the Martu Patrol is managed by the Newman Women's Shelter.

Through the program local Indigenous outreach workers will receive training to deliver targeted safety initiatives for young people on the streets of Newman at night.

The Martu Patrol was developed through the Newman Futures project in collaboration with Martu leaders, Newman Women's Shelter, Kanyirninpa Jukurrpa, WA Police and the Newman Feedback Group in response to increased youth crime in Newman.

The team includes members fluent in both Martu Wangka and English. They provide support, liaise with family members and, when needed, support children and young people into safe places.

A man named Jordy, wearing an orange high-visibility BHP shirt and safety glasses, stands in front of a train at sunset. The shirt has "JORDY" and "BHP" on it, along with a "Safety Glasses" tag. The background shows a train with a yellow light and a sunset sky.

Skills and Development

Investing in our workforce is an investment in WA's future.


BHP is committed to supporting educational outcomes in the communities in which we operate and working with industry and government to address critical skill shortages and promote future industry capability.

Skills and Development


Inclusion and diversity

We believe our people should have the opportunity to fulfil their potential and thrive in a safe, inclusive and diverse workplace.

In FY21 WA Iron Ore achieved:



25.4%
Female representation.
An increase from **21.9% in FY20** ↑









10.5%
Indigenous representation.
An increase from **10.4% in FY20** ↑



Inclusion and diversity promotes safety, productivity and the wellbeing of our workforce.

Indigenous development and employment

2021	2020	2019
Employees 	Employees 	Employees 
949	936	731
Representation of workforce % 	Representation of workforce % 	Representation of workforce % 
10.5%	10.4%	9.20%

Training and employment

Intake and headcount for the graduate, trainees and apprentice program

FY21			FY20			FY19		
Apprentices	Trainees	Graduate	Apprentices	Trainees	Graduate	Apprentices	Trainees	Graduate
196	200	62	206	170	61	206	167	58

Case Study

Our new Maintenance Associate graduates

BHP welcomed the first Maintenance Associate graduates from the BHP FutureFit Academy.

This is the first intake of students to graduate through the Academy since it was established in 2020 with the aim of boosting Australia's skills base and creating new career paths into the mining sector.

Students learn in a dedicated environment using the latest immersive and virtual reality simulation technology, with actual mobile equipment workshops and fixed plant – ensuring students are skilled, competent and job ready before being deployed to our operational sites.

This year's graduates are formed by 80 per cent female and over 20 per cent Indigenous representation, which is crucial to helping BHP build a strong and diverse workforce to power our business.

The new approach to training and employment opens the door to a more diverse talent pool, especially those from non-mining backgrounds who want to reskill or pursue a new career.



Step inside BHP's FutureFit Academy. Scan this QR Code

A regionally based workforce

We are committed to providing opportunities for local people to participate in the resources industry.

We do this by investing in local jobs and commercial business opportunities, and through improving liveability and community outcomes for people living in regional towns.

A regionally based workforce

Local and Indigenous business opportunities

The BHP Local Buying Program was established to support small businesses.

It makes it simpler for small businesses to competitively bid for opportunities. It also helps build sustainable communities. For every contract awarded through the Program, BHP allocates funds to support business community development programs.

Our success is having a positive impact on local businesses in the Pilbara.

In FY21 we spent 

\$93M

with Indigenous businesses

(an increase of 38% from FY20)
with 65 Indigenous owned business,
a large proportion of this on South Flank

Nearly half of this: \$46M

was with 35 Traditional Owner businesses
(a 34% increase from FY20)

\$267M

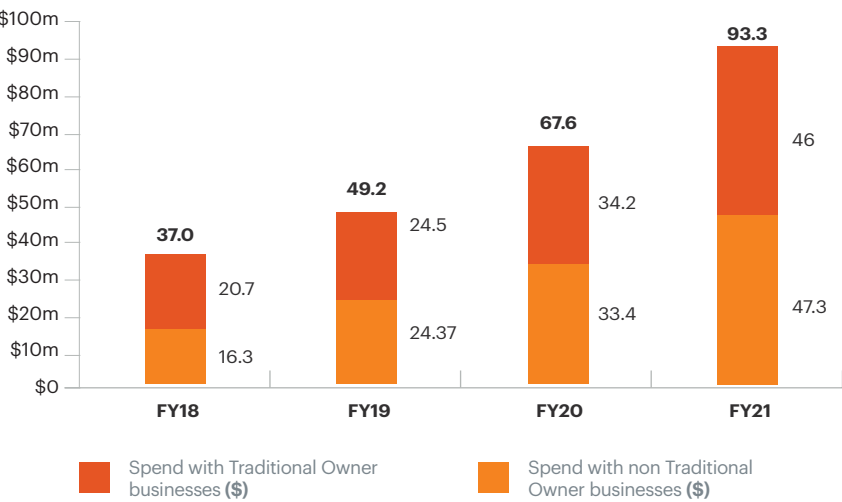
with Port Hedland and Newman local businesses

\$40.4M spent with

170 small, local vendors through the BHP Local Buying Program

BHP launched 7 day payment terms for all local, small and Indigenous businesses Australia-wide.

WAIO Indigenous contracting spend with Traditional Owner business breakdown:



The local buying program makes it simpler for small businesses to competitively bid for opportunities.

Case Study

Local businesses refurbish our FIFO villages

BHP engaged Port Hedland business Acelect through the BHP Local Buying Program to complete the removal and replacement of 120 washer and dryer machines at our Port Haven FIFO Village.

Acelect also used local businesses Carpet Court and Pilbara Helping Hands to support them on the project.

Acelect is a locally owned and operated business which has serviced the Pilbara since 2008. They are experienced in domestic, commercial, and industrial electrical services.



Scan here for more on our Local Buying program



Case Study

Greening in Port Hedland

A \$3 million greening and amenity project is underway to help improve the overall aesthetics and amenity of the West End of Port Hedland.

BHP, together with the Town of Port Hedland and the Pilbara Ports Authority, have appointed RFF Pty Ltd as head contractor, along with three Indigenous businesses being awarded works contracts.

With the greening and amenity project expected to run through to June 2021, Indigenous businesses Tambinah, Yurra and Marapikurrinya Construction and Maintenance Services will begin improving and greening verges and median strips within the West End CBD and along Anderson Street to Short Street.

The Project will not only improve the environment of the West End, it also supports Indigenous participation.



We endeavour to treat all communities local to our operations with respect and establish open, honest relationships built on trust.

We aim to create social value through the positive social and economic benefits generated by our business, our engagement and advocacy on important issues, and our contribution as community partners.

BHP

Think big.
Today and tomorrow.

bhp.com